

DEPARTMENT OF FINANCE

Adoption of Chapter 05-204
Rules of Procedure of the Director of Finance
Regarding the Circuit Breaker Credit as Authorized by
Section 3.48.780, Maui County Code

SUMMARY

1. Chapter 05-204, entitled "Rules of Procedure of the Director of Finance Regarding the Circuit Breaker Credit as Authorized by Section 3.48.780, Maui County Code", is adopted to read as follows:

"TITLE MC-05

DEPARTMENT OF FINANCE

SUBTITLE 2

REAL PROPERTY TAX DIVISION

CHAPTER 204

RULES OF PROCEDURE OF THE DIRECTOR OF FINANCE
REGARDING THE CIRCUIT BREAKER CREDIT AS AUTHORIZED BY
SECTION 3.48.780, MAUI COUNTY CODE

Subchapter 1 General Provisions

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Subchapter 2 Procedures

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SUBCHAPTER 1

GENERAL PROVISIONS

§05-204-1 Title. The rules in this chapter shall be known as the "Rules of Procedure of the Director of Finance Regarding the Circuit Breaker Credit as Authorized by Section 3.48.780, Maui County Code" ("MCC"). [Eff] (Auth: HRS §91-2; Charter §8-4.3(15); MCC §3.48.010(K)) (Imp: MCC §3.48.780)

§05-204-2 Purpose and scope. These rules govern the procedures of the department of finance of the County of Maui with regard to the circuit breaker credit authorized by section 3.48.780, MCC. [Eff] (Auth: HRS §91-2; Charter §8-4.3(15); MCC §3.48.010(K)) (Imp: MCC §3.48.780)

§05-204-3 Definitions. For purposes of this chapter, and unless it is plainly evident from the context that a different meaning is intended, certain words and phrases used herein are defined as follows:

"Delinquent" means real property taxes which remain unpaid after the payment date specified under section 3.48.195, MCC.

"Director" means the director of the department of finance or the director's authorized representative.

"Division" means the real property tax division of the department of finance.

"Homeowner" means a person who filed and was granted a home exemption claim under section 3.48.450, MCC.

"Income" means adjusted gross income as defined by the Internal Revenue Code of 1986, as amended.

"Postmark" means the United States Postal Service mark that is printed over the stamp and cancels it, and which records the date and place of mailing.

"Tax year" means the fiscal year beginning July 1 of each calendar year and ending June 30 of the following calendar year. [Eff] (Auth: HRS §91-2; Charter §8-4.3(15); MCC §3.48.010(K)) (Imp: MCC §3.48.780)

SUBCHAPTER 2

PROCEDURES

§05-204-4 Filing of application. (a) Any taxpayer applying for a credit shall file an application with the division during the period beginning August 1 and ending December 31 immediately preceding the tax year for which a credit is claimed. Application forms shall be made available by, and may be obtained from, the division or the division's website.

(b) An application shall be considered timely made if the application is postmarked on or before the expiration of the application period and properly addressed to the director. All other applications shall be deemed untimely and shall not be accepted by the division. Untimely applications received by the division shall be returned to the sender with notification that the application was untimely filed.

(c) The application shall provide the tax map key number, name of taxpayer, mailing address, social security number of the taxpayer, date of birth, contact phone numbers, email address if available, signature of taxpayer and, for applicants required under federal or state law to file federal or state income tax returns for the year preceding the year in which an application is submitted, signed copies of such returns.

(d) A taxpayer submitting an incomplete application postmarked during the period of application shall be notified in writing by the division of the deficiency in the application and given ten calendar days after mailing of the notice to make the application complete. [Eff] (Auth: HRS §91-2; Charter §8-4.3(15); MCC §3.48.010(K)) (Imp: MCC §3.48.780)

§05-204-5 Application of credit. (a) Upon proper application and approval thereof, a homeowner shall be entitled to a credit in the amount set forth in section 3.48.780(B), MCC. The credit shall be applied in equal pro rata amounts against each tax payment due for the tax year following the year in which an application for credit is submitted and granted. No credits shall be applied if taxes on the property are delinquent prior to the fiscal year for which the credit is applied.

(b) The following example illustrates how the credit is determined:

The credit for the 2009-2010 tax bill is calculated by comparing a percentage (in accordance with section 3.48.780(B), MCC) of the applicant's 2007 federal adjusted gross income with the 2008-2009 tax bill for the property.

[Eff] (Auth: HRS §91-2; Charter §8-4.3(15); MCC §3.48.010(K)) (Imp: MCC §3.48.780)

§05-204-6 Circuit breaker credits not transferable. Circuit breaker credits granted pursuant to this chapter shall not be transferable to other persons or properties. In the event of a transfer of the property, any credits granted shall be prorated and readjusted for taxes as of the effective date of any transfer. [Eff] (Auth: HRS §91-2; Charter §8-4.3(15); MCC §3.48.010(K)) (Imp: MCC §3.48.780)

§05-204-7 Effect of home exemption revocation. If during the course of any tax year, the home exemption of a property is revoked pursuant to section 3.48.450(E), MCC, any circuit breaker credit granted for that tax year shall be revoked, and an amount equal to the credit shall be added to the taxes due and owing for the property. [Eff] (Auth: HRS §91-2;

Charter §8-4.3(15); MCC §3.48.010(K)) (Imp: MCC §3.48.780)

§05-204-8 Fraudulent application. If the director determines that a person has filed a fraudulent application or submitted falsified income tax returns, the director shall revoke the circuit breaker credit for the relevant tax year and add an amount equal to the credit to the taxes due and owing for the property. [Eff] (Auth: HRS §91-2; Charter §8-4.3(15); MCC §3.48.010(K)) (Imp: MCC §3.48.780)

2. Chapter 05-204, Rules of Procedure of the Director of Finance Regarding the Circuit Breaker Credit as Authorized by Section 3.48.780, Maui County Code, shall take effect ten days after filing with the Office of the County Clerk.

ADOPTED this _____ day of _____,
20____, at Wailuku, Maui, Hawaii.

DEPARTMENT OF FINANCE

By _____
KALBERT K. YOUNG
Director of Finance

Approved this _____ day of
_____, 20_____.

APPROVED AS TO FORM
AND LEGALITY:

CHARMAINE TAVARES
Mayor

TRACI FUJITA VILLAROSA
First Deputy Corporation Counsel
County of Maui
C:\Documents and Settings\County Employee\Desktop\circuitbreaker05-204ram.wpd

Received this _____ day of
_____, 20_____.

ROY T. HIRAGA
County Clerk
County of Maui

CERTIFICATION

I, KALBERT K. YOUNG, Director of Finance,
Department of Finance, County of Maui, do hereby
certify:

1. That the foregoing is a copy of the Rules of
Procedure of the Director of Finance Regarding the
Circuit Breaker Credit as Authorized by Section
3.48.780, Maui County Code, drafted in Ramseyer format
pursuant to Section 91-4.1, Hawaii Revised Statutes,
which was adopted on _____, following a
public hearing on _____; and

2. That the notice of public hearing on the
foregoing rules was published in The Maui News on
the _____ day of _____, 20____.

KALBERT K. YOUNG
Director of Finance